

November 25, 2011 – Comments on the By-Law Committee report to the board -

On April 17, 2010, SEC members overwhelmingly passed ten new bylaws.

On June 29, 2010, the Board voted to have its attorney, Dennis Francish, challenge three of those bylaws by suing the SEC members.

On May 18, 2011, Judge Albert Mitchell ruled that those three bylaws were passed legally and so had been in effect since April 17, 2010.

It might be assumed that the judge's ruling settled the matter but now comes the By-Law Committee to offer changes to the newly passed bylaws. This committee is composed of Leroy Anaya, Chairman; Leo Cordova, Don Wolberg, and Jack Bruton. The stated purpose of the committee meeting was "to review SEC's By-Laws." Here in short is what the Committee and majority of the Board want to do.

1. Mail-in-ballots: The Committee says that they do not count toward a quorum as the present By-Laws "state that a quorum is members registered." You might make the argument that signing up for a ballot is registering but the Board is blocking that common sense option.
2. The \$10,000 spending limit per trustees is "hindering" and a board amendment will be offered at the 2012 Annual Meeting. You must read this section on the need for more funds in its entirety.
3. The committee also dislikes the mandated board of five trustees and will offer a board of seven at the 2012 Annual Meeting.
4. The next offering is to change the Order of Business at Annual Meetings and District Meetings "to a more commonly used version." What does this mean?
5. The subject of term limits was also raised. The Board doesn't want them!
6. Article III, Section 14. Fair Elections. And here we go splitting hairs. "The Committee conferred that Elections are held only during Districts meetings not at Annual Meetings and questioned whether voting by mail at Annual Meetings was required. The meaning of "elections" was talked about at the Committee agreed that elections are people not things. It is obvious that this is an attempted end run around voting by mail. (Sorry, too much football).

Charlie Wagner and Prescilla Mauldin were the only two trustees to vote against these recommendations. Watch the video and see all the hands in the air of the guys who want to stay on the board, get more money and restrict the rights of the members. Luis Aguilar, who ran for the board as a reformer, was asked about his vote to undo the reform bylaws. He stated that he didn't do so but that he abstained. Short memory! Watch and listen to the video and you will realize that we must protect the reforms as the board members will do anything and say anything to protect their power and money. The Reform Group and all members still have a battle ahead until this Board is history and responsible trustees are elected.

Other things did happen at this meeting but this By-Law Committee and its Board passed recommendations are the most important and dangerous.

## **Here is a copy of the By-Law Committee report to the board on 11/22/11 -**

BY-LAW COMMITTEE MEETING  
BOARD OF TRUSTEES  
THE SOCORRO ELECTRIC COOPERATIVE, INC.  
NOVEMBER 10, 2011

A By-Law Committee Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc., was held on Thursday, November 10, 2011 in Socorro, New Mexico.

The meeting was called to order at 2:00 p.m. by Leroy Anaya, Chairman.

Members of the Committee present were Trustees Cordova, Wolberg and Bruton.

Also present were Joseph Herrera, General Manager, and Eileen Latasa, Administrative Assistant.

Chairman Anaya stated that the Purpose of the Meeting was for the committee to review SEC's By-Laws.

Trustee Wolberg stated that the present By-Laws had been approved by Judge Mitchell. The approved By-Laws state that the Board needs to be reduced to five (5) trustees representing five (5) districts by as equal population as possible.

The Committee discussed the mail-in ballots as being counted in a quorum count. The mail-in ballots do not count as part of the quorum due to the fact that the By-Laws state that a quorum is members registered.

The Committee reviewed and discussed, in depth, the \$10,000 limit per trustee. The Committee's concern, as discussed, was that currently, due to the cap on per diem, etc., that SEC's trustees are hindered by not receiving the necessary education and training required by NRECA to become knowledgeable in the issues affecting the electric industry and that Ultimately, SEC's members will have uninformed trustees that will be unable to make sound decisions on behalf of their members.

After a lengthy discussion, the Committee will present for Board approval to submit to the members at the 2012 Annual Meeting, to amend Article V, Section 7 - Compensation: This sum includes but is not limited to: per diem payment, insurance, ~~travel, conference fees, meals ...~~

The Committee agreed that due to the increasing costs, that they hinder trustee attendance to state, regional and national conferences and training classes. The Committee also will recommend that expenses for elected representatives/designated representatives of the Board should not be deducted from the \$10,000 spending limit.

The Committee will also recommend that Article V, Section 1. General Powers be amended as follows: The business and affairs of the Cooperative shall be managed by a board of ~~five~~ (seven) trustees ... and Section 8 and 9. Division and Representation by Districts to reflect seven districts with one trustee elected from each district by as equal population as possible.

It was the consensus of the Committee that having a board of only five trustees would be ineffective due to the physical size and the number of members of the Cooperative.

The Committee also discussed Article 1, Section 2. Membership Certificates. Manager Herrera stated that the SEC currently does not issue a membership certificate but indicated that he would like to see a membership certificate generated and utilized with the Cooperative seal.

The Committee will also recommend that Article IV, Persons Ineligible to Vote - Remove satellite subscribers, due to the fact that the SEC has ceased operations of the Socorro Satellite Systems,

The Committee, after discussion, will also recommend for Board approval changing the language in Article 3, Section 10 and 11, Order of Business at Annual Meetings and District Meeting to a more commonly used version.

The Committee also discussed the term limits approved by the members.

The Committee agreed that new district maps with seven representative districts would need to be ready for publication for the Annual Meeting Notice as well as the map of the five representative districts for member consideration.

Discussion was also held on Article III, Section 14. Fair Elections. The Committee conferred that Elections are held only during Districts meetings not at Annual Meetings and questioned whether voting by mail at Annual Meetings was required. The meaning of "elections" was talked about at the Committee agreed that elections are held for people not things.

There being no further items open for discussion, Chairman Anaya adjourned the meeting at 3:24 p.m.

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